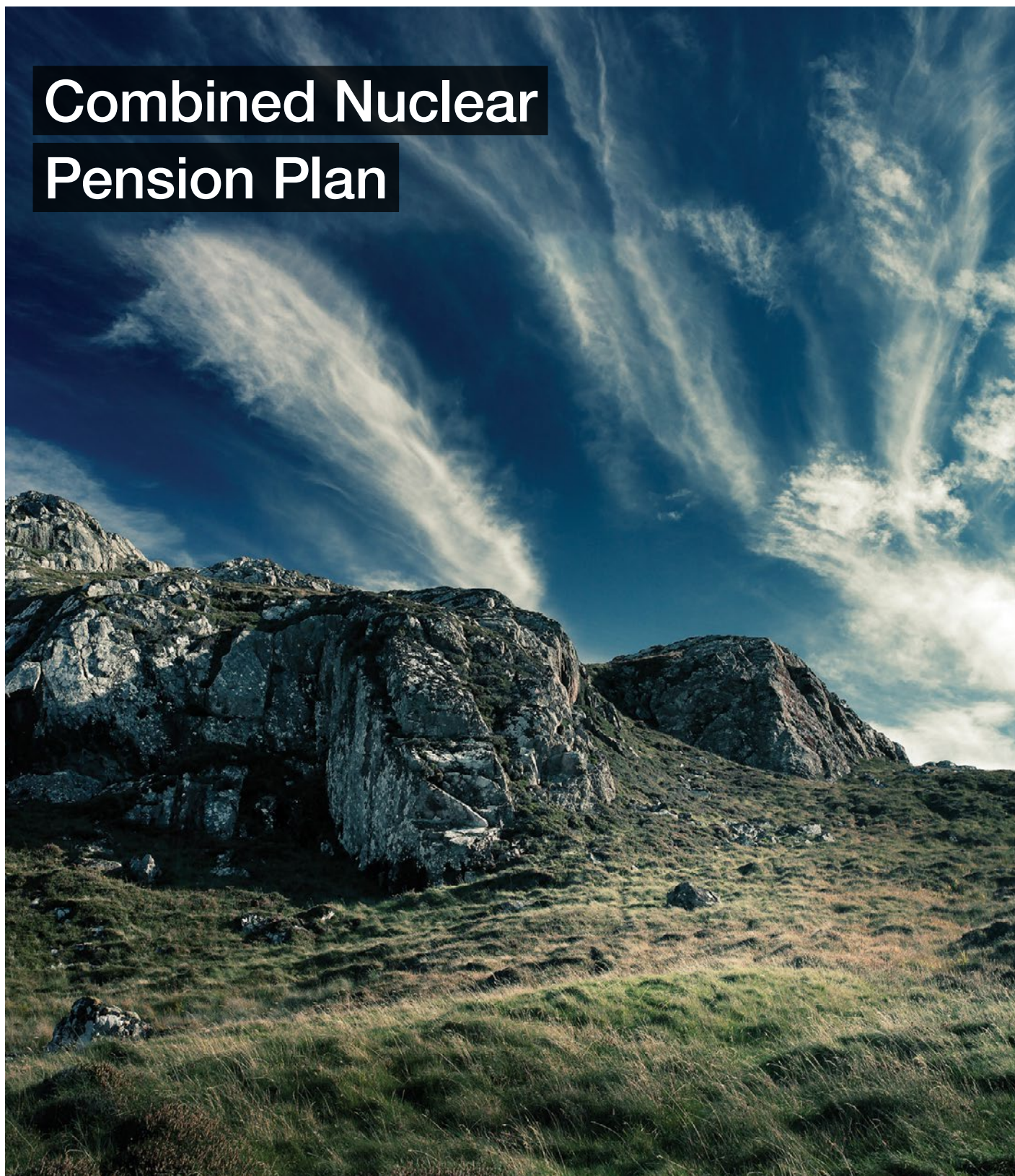




COMBINED NUCLEAR™  
PENSION PLAN

Defined Benefit Pensions newsletter  
August 2024

# Combined Nuclear Pension Plan



# Welcome from the chairman

Welcome to our 2024 newsletter for the Defined Benefit (DB) Structure of the Combined Nuclear Pension Plan (CNPP). A separate DC newsletter has been prepared for members of the Defined Contribution (DC) Structure of the Plan.

Both are available at [cnpp.org.uk](https://cnpp.org.uk)

---

## Changes to your Trustee Board

There have been some changes to the Trustee Board since the previous newsletter. This includes the departure of Allan Whalley, the previous Chair, following the end of his six-year term.

I have now taken over as Chair of the Trustee Board. I'd like to thank Allan for his hard work through a turbulent time and briefly introduce myself. I am appointed as an independent trustee and have served on the Trustee Board of the CNPP for the past two years. I also act as a Trustee for six other pension schemes, including as Chair on five of those. Before becoming an independent trustee, I worked as a pensions actuary and have over 30 years' experience in the pensions industry.

I hope this short biography gives you confidence in my background and knowledge. While we will miss Allan's leadership of the Trustee Board, I and the other Trustees remain committed to ensuring that the CNPP continues to be well-governed and operated in the best interests of all of its beneficiaries.

You can find full details of the Trustee Board on page 3.

## Change to DB benefit build-up

There was recently a major change to the way DB pensions build up, following a request from the NDA. With effect from 1 April 2024, benefits changed from being based on your final salary to being based on your average salary throughout your working life. This is known as Career Average Revalued Earnings (CARE).

However, all benefits you earned up to and including 31 March 2024 will remain based on your final salary at the date you retire, or leave active service in the CNPP if this is earlier.

The Plan's booklets and website have been updated to reflect the shift to CARE. I would urge you to look at this new information.

## Managing your pension online

The increasing use of online services is one of the legacies of a post-Covid world. With the Plan's administrators, we have been looking into how online services can help the Plan run more smoothly for you.

We are working with EQ to increase the range of things you can do in the Member Self Serve portal. You can now update or submit an Expression of Wish form and we are planning to provide an online calculator for you to estimate your retirement income at different dates. Please register for Member Self Serve if you have not already done so. You can find instructions for registering on page 5.

For members of the Nirex Section, Barnett Waddingham offer an online portal called Pension Self Serve. Again, please register if you haven't already done so.

## Pensions and the environment

The Trustee takes its Environmental, Social and Governance (ESG) responsibilities seriously. As part of our environmental considerations, we have been looking into how to reduce the number of paper communications we send out. To address this, we will shortly be moving to electronic communications.

## Please give us your email address

We need your email address to let you know when something's happened to do with the Plan. Please register for your administrator's online service and make sure your contact details, including your email address, are up to date. Please also look out for further information from the Plan administrators.

I hope you find this newsletter useful. If you would like to know more about the CNPP, please contact your Plan administrator, using the details at the end of this newsletter.

**Mark Condron**

Chair of the CNPP Trustee Board



# Meet your Trustee Board

## What your Trustee Board does

Your Trustee board makes sure the CNPP is run properly and that your benefits are secure.

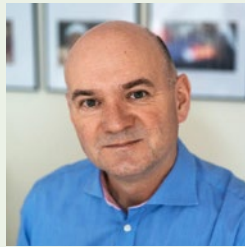
There are 3 types of Trustee on the Board.

- Independent Trustees, who do not have any direct personal interest in the CNPP, either through the employers or as members.
- Member Nominated Trustees, who are elected by the members of the CNPP.
- Employer Nominated Trustees, who are nominated by the NDA from its senior managers or Board members.

This is the current Trustee Board as at 31 July 2024.

### Independent Trustees

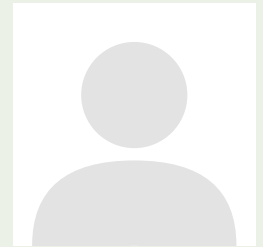
---



**Mark Condron**  
Chair  
from Capital Cranfield  
Trustees Limited



**Raymonde Nathan**  
from PAN Trustees  
UK LLP



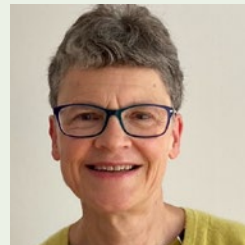
**Vacancy**  
Another independent  
Trustee will be  
recruited to the  
Trustee board soon

### Member Nominated Trustees

---



**James Crabtree**  
Employed by Nuclear  
Transport Solutions



**Susan Adams**  
A pensioner  
member formerly  
employed by  
Nuclear Restoration  
Services Limited



**Ian Park**  
High Activity Waste  
Team Leader at  
Nuclear Restoration  
Services Limited

### Employer Nominated Trustees

---



**Mike Calloway**  
Head of Programme:  
Non-NDA Liabilities  
Assurance at NDA



**Jeremy Gilmour**  
Head of Community  
and Economic  
Development at  
NDA



**Andrew Oldham**  
Director Group  
Finance at NDA

# Check your State pension forecast

## Do you know how much State Pension you are due to receive?

The full amount of State Pension is currently around £11,000 a year. That could form a significant part of your retirement income. You can check how much State Pension you are due to receive using the government's Check State Pension forecast service at [gov.uk/check-state-pension](https://gov.uk/check-state-pension)

You can start claiming your State Pension from your State Pension age. This may not be the same as the age when you qualify for your Plan pension. State Pension age is currently 66 and is due to rise to 67 by 2028. You can check your own State Pension age at [gov.uk/state-pension-age](https://gov.uk/state-pension-age)

## Normal Minimum Pension Age to rise

The Normal Minimum Pension Age – the age you can normally start taking pension benefits – is currently 55. However, this is due to rise to 57 with effect from 6 April 2028. If you are thinking of taking early retirement, you need to check how this could affect your plans.

Some people may have a Protected Pension Age for their CNPP pension, meaning they may be able to start taking CNPP benefits earlier than the Normal Minimum Pension Age of 57. We'll write to tell you if this applies to you, nearer the time.

## Tell us who should receive benefits if you die

We all want to provide for our loved ones, so it's good to know that your benefits could pay them a lump sum of money when you die.

You need to tell us who you want this money to go to. You can do this by filling in an Expression of Wish form.

You can now fill in and submit an Expression of Wish form online through the Member Self Serve portal, or Pension Self Serve if you are a member of the Nirex Section. See How to register with Member Self Serve on page 5 if you haven't already done this. You can also obtain a form from your Plan Administrator or Employer Representative.

Things in our lives change. So once you've completed your form, it's important to keep it up to date. You can update your wishes by submitting another Expression of Wish form. It will replace any previous forms you've submitted.

## Find out more about your Plan at [cnpp.org.uk](https://cnpp.org.uk)

You can find out more about the DB Structure of the Plan at [cnpp.org.uk](https://cnpp.org.uk), including how the Plan operates and how it is managed. In the document library at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/) you can find:

- frequently asked questions (FAQs)
- the DB Implementation Statement, which explains how the Trustee has followed the policies and objectives in the Statement of Investment Principles
- documents such as the Trustee's Annual Report and the Statement of Investment Principles, and your section booklets.

# Change in build-up of Plan benefits

If you are currently building up benefits in the Plan, your benefits have changed from Final Salary to Career Average Revalued Earnings (CARE) with effect from 1 April 2024.

This means that, instead of being based on your salary close to the date you retire or stop building up benefits, your benefits now build up based on your average salary each year. You should have received a letter setting out the broad changes to the future build-up of your pension. You can download a copy of the new CARE booklet from the document library on the CNPP website at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/)

This change relates only to benefits you build up on or after 1 April 2024. It does not affect the benefits you built up in the Plan up to 31 March 2024. These will continue to be based on your final salary at the date you take your benefits, or the date you stop building up benefits in the Plan if this is earlier.

## Read your updated booklet



We have updated the DB section booklets and the CNPP website to reflect the changes to benefit build-up. You can find the updated booklets in the document library on the CNPP website at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/) or by following the QR code.

## Going paperless

In last year's newsletter we told you we were intending to move to digital-only communications, in line with our commitment to sustainability and the environment. This means we will no longer send you paper communications unless you tell us you want to keep receiving them.

To ensure you receive communications about your pension, please register with Member Self Serve or Pension Self Serve and give us your email address. See How to register with Member Self Serve on the right.

- 1 If you have DC pension savings, please also activate your TargetPlan account. See Keep track of your DC savings with TargetPlan on page 11.
- 2 Look out for more information about this. We'll be sending further paper communications before we go completely paperless.

Once you have registered with Member Self Serve or Pension Self Serve, you can opt out of online communications and start receiving paper communications again at any time.

## How to register with Member Self Serve

**If you are a Nirex Section member, you will need to register with Pension Self Serve instead. You can find out how to do this on page 6.**

To register, you will need your date of birth and National Insurance (NI) number. You can find your NI number on your payslip or communications from HM Revenue & Customs. It's in this format: QQ 12 34 56 X.

You will also need your Personal Identification Code from EQ. This should be on previous communications from EQ.

If you can't find it, please contact EQ.

- 1 Follow this link to go to the CNPP website: [www.cnpp.org.uk/login](https://www.cnpp.org.uk/login)
- 2 Under **Login to your member portal**, select EQ.
- 3 Once you're in the EQ website, choose Login at the top right. You must accept the terms and conditions before you can continue. Choose **Register**.
- 4 You'll now be asked for two codes to prove your identity.
  - Use **CNPP** as your registration code.
  - Put in your Personal Identification Code from EQ.
- 5 You'll need to choose a username and password, and set your security questions.
- 6 Your username can only contain letters and numbers. It must be at least 5 characters long.
- 7 Your password must be at least 9 characters long. It must contain at least one capital letter, one lower case letter, one number and one of the following special characters: @#\$%^&+=.

## Nirex Section members: how to register with Pension Self Serve

Your administrator, Barnett Waddingham, has recently changed its online service, with Pension Self Serve replacing Member Self Serve.

- If you are already registered, your login details will not have changed.
- If you want to register, or are having any issues accessing your account, please call the administration team on 0141 447 0799.

## New section names

Some of the operating companies have recently changed their names. The NDA has asked us to update the names of the relevant sections. These are the new names.

- The former Magnox (and DSRL) Section is now the Nuclear Restoration Services Section.
- The LLWR Section is now the Nuclear Waste Services Section.
- The GPS Nexia Section is now the GPS National Nuclear Laboratory Section.

If you have benefits in any of these sections, the name changes do not affect your benefits in any way.

## Investment and climate change

The importance of investing pension savings in a way that helps to address climate change is becoming increasingly apparent. The Task Force on Climate-Related Financial Disclosures (TCFD) sets out requirements for pension schemes to report (disclose) the actions they are taking on climate-related financial risks and opportunities.

These requirements cover governance, strategy, risk management, and metrics and targets. These represent the core elements of how organisations such as the CNPP operate.

We assess our climate-related risks and opportunities in line with the TCFD's recommended disclosures and publish an annual report on the CNPP website. You can find the most recent report at: <https://bit.ly/3Ym9QRJ>

We've made a number of strategic changes as a direct result of applying the TCFD framework, including appointing two new funds to the DB Structure. These are the Sustainable Development Goals Credit Fund and the Direct Lending Fund. Both have been chosen with the aim of allowing the CNPP to better account for climate-related risks within its investment strategy.

## Update on the Plan's financial position

Every three years the Trustee completes an actuarial valuation of each section of the CNPP. The valuation aims to determine if each section has sufficient assets to cover the benefits that have built up in the period to the valuation date, plus the cost of the benefits that have built up between each full valuation. These are known as the liabilities.

If, at the valuation date, the assets are greater than the liabilities, the Plan is referred to as having a surplus. If the assets are lower than the liabilities, the Plan is referred to as having a shortfall or deficit. In this case the Trustee of the Plan will agree with the sponsoring employers a 'recovery plan' to remove the shortfall.

The last full valuation was completed as at 31 March 2022. The next one is due to start on 31 March 2025. At each 31 March between the full valuations, the Scheme Actuary produces an update to check how the funding positions of the sections are progressing compared to the full valuation.

### The 2023 funding update

The table on page 7 shows the results of the 31 March 2023 funding update. The 31 March 2024 funding update is currently being calculated and we will report the results in next year's newsletter as well as making them available on the website.

We have agreed new contribution rates with the employers due to the change in benefit build-up from final salary to CARE. These are also shown in the table on page 7. The contributions we had previously agreed to remove any deficit identified at the 31 March 2022 valuation are not affected by the change in benefit build-up.

The funding position of most sections has improved significantly since the 31 March 2022 valuation, except for the Closed and Nirex sections. These have seen small reductions in their funding levels but still have large surpluses.

We expect all sections to have a surplus at 31 March 2023. This is mainly due to changes in the assumptions reducing the value of the liabilities, in spite of increases from higher-than-expected inflation. The value of the assets has also fallen, but not as much as the liabilities.

## Sections with deficits at the valuation date

Section	Magnox	LLWR	Sellafield	DSRL
<b>Valuation results</b>				
Assets (£ms)	159	36	2,010	158
Liabilities (£ms)	164	39	2,114	175
Surplus (shortfall) (£ms)	(5)	(3)	(104)	(17)
Funding level	97%	92%	95%	90%
<b>Estimated 31 March 2023 funding update</b>				
Assets (£ms)	140	34	1,829	144
Liabilities (£ms)	128	30	1,572	134
Surplus (shortfall) (£ms)	12	4	257	10
Funding level	109%	114%	116%	108%
<b>Contributions for building up benefits (% earnings)</b>				
Rate up to 31 March 2024	30.9%	32.3%	32.1%	32.2%
Rate from 1 April 2024	31.5%	28.1%	29.9%	30.0%
Rate from 1 April 2025	30.6%	27.2%	29.0%	29.1%
Rate from 1 April 2026	29.7%	26.3%	28.1%	28.2%
Rate from 1 April 2027	29.0%	25.7%	27.5%	27.6%
<b>Deficit contributions</b>				
Amount paid before 31 March 2023	-	£1,000,000	£50,000,000	£2,110,000
Annual contribution	£330,000	£370,000	£4,000,000	£2,550,000
Date annual contributions begin	1 April 2024	1 April 2026	1 April 2026	1 April 2026
Recovery plan end date	31 March 2032	31 March 2032	31 March 2032	31 March 2032

The contribution rate for building up benefits is payable by the employer as a percentage of Pensionable Earnings. Member contributions are in addition to this.

The Magnox and DSRL sections merged on 1 April 2024 but the sections are shown separately in the table above.

## Sections with a surplus at the valuation date

Section	Closed	GPS DRS	GPS SLC	GPS Nexia Solutions	Nirex
<b>Valuation results</b>					
Assets (£ms)	117	111	727	6	40
Liabilities (£ms)	98	108	596	5	33
Surplus (shortfall) (£ms)	19	3	131	1	7
Funding level	119%	103%	122%	120%	121%
<b>Estimated 31 March 2023 funding update</b>					
Assets (£ms)	91	95	592	5	30
Liabilities (£ms)	77	81	465	4	25
Surplus (shortfall) (£ms)	14	14	126	1	5
Funding level	118%	117%	127%	125%	120%
<b>Contributions for building up benefits</b>					
Rate up to 31 March 2024	-	43.1%	25%	42.7%	-
Rate from 1 April 2024	-	38.9%	25%	42.7%	-
Rate from 1 April 2025	-	38.1%	25%	42.7%	-
Rate from 1 April 2026	-	37.2%	25%	42.7%	-
Rate from 1 April 2027	-	36.7%	25%	42.7%	-

Whilst these Sections of the Plan have a surplus at the valuation date, you should be aware that the funding level can vary as a result of a number of different factors, particularly investment performance, interest rates and life expectancy. This means that the funding level can go up or down in the future. The Trustee regularly monitors the Plan's finances and, where possible, will take steps to improve the security of your benefits further.

## Payments to the employer

By law, we must tell you if there are any payments from the Plan to an employer. To date, there have been no payments out of the Plan to any of the employers. Following the buyout of the GPS EnergySolutions section during November 2022, that section no longer has any liabilities. The remaining assets will be returned to the employer once the section has been wound up.



# Watch out for pension scams

Pension scams are not going away. Here are some tips to help you keep your valuable pension benefits away from scammers.

## Signs of a scam

If someone offers you 'free' advice, promising 'guaranteed' investment returns or putting pressure on you to agree to transfer your pension, these are all signs of a scam. Professional advice is not free, investment returns cannot be guaranteed, and legitimate organisations will not try to rush you into a decision.

## Check who you are dealing with

Scammers can create professional-looking materials, including 'clone' websites that allow them to pose as legitimate financial advisers. If someone who looks like a financial adviser contacts you about your pension, don't use the contact details they give you. You can check whether they appear on the Financial Conduct Authority (FCA)'s list of registered financial advisers at [register.fca.org.uk](https://register.fca.org.uk). You should only use the contact details the FCA register lists.

If you're thinking of using a financial adviser – to help you with a pension transfer, for example – you should check they're on the FCA register and use the contact details from the register.

## Online resources

Have a look at the FCA's Scamsmart website at [fca.org.uk/scamsmart](https://fca.org.uk/scamsmart). You can also download the Don't let a scammer enjoy your retirement leaflet from the Pensions Regulator's website – [thepensionsregulator.gov.uk](https://thepensionsregulator.gov.uk)

## Report a scam

The best way to combat scams is to report them. If you've received a message about your pension that you think could be a scam, you can report it to the police Action Fraud service at [actionfraud.police.uk/reporting-fraud-and-cyber-crime](https://actionfraud.police.uk/reporting-fraud-and-cyber-crime) and the National Cyber Security Centre at [ncsc.gov.uk/information/report-suspicious-emails](https://ncsc.gov.uk/information/report-suspicious-emails)

## Pension Scammers – don't get suckered in



### Watch this video



This short animation is designed to help you spot the signs of a scam. Please share it with everyone you know. Follow the QR code or go to YouTube and search for Pension scammers – don't get suckered in.

# Changes to the Annual Allowance and Lifetime Allowance

## The lifetime allowance

In April 2024 the government abolished the Lifetime Allowance (LTA). This was a limit on how much your pension benefits could build up over your lifetime without triggering a tax charge. At the date it was abolished it was £1,073,100.

It is possible the LTA could be reintroduced in future. We will let you know if this happens.

## The lump sum allowance

Even though the LTA has been abolished, there is still a limit on how much tax-free cash you can have when you take your pension benefits. This is known as the Lump Sum Allowance (LSA). The current LSA is £268,275, equal to one-quarter of the LTA at the date it was abolished.

As a general rule, most people can take around one-quarter of their pension benefits as cash, which will be tax-free up to the LSA. You will need to check whether the amount of tax-free cash you want will take you over the LSA. We can't check this for you as we don't know about any pension benefits you may have outside CNPP.

If you go over the LSA, the cash you have to pay tax on is paid as a separate lump sum. Although the underlying regulations for this have changed we understand that, in practice, there is little difference. So, if your section's rules previously allowed you to take cash and pay tax on the amount above the tax-free limit, this will still be allowed.

Also, HM Revenue & Customs say there are some circumstances where it might be worth delaying taking benefits until the regulations have been clarified – for example, if you had special tax protections in place before the abolition of the LTA. If you think this might affect you, please contact your Plan administrator using the details on the last page.

## The annual allowance

This is the total amount that can go into all your pensions each year before you have to pay extra tax. It is currently £60,000 a year for most people.

- If you're building up benefits in a defined benefit (DB) pension, your annual allowance is based on how much the value of your pension increases in a tax year.
- If you're building up pension savings in a defined contribution (DC) pension, your annual allowance is based on how much money you and your employer put into your pension savings in a tax year.

A lower annual allowance could apply if you start to draw money from your DC pension savings. This is known as the money purchase annual allowance. It is currently £10,000 a year.

If the value of your CNPP benefits goes over the annual allowance and you become liable for tax, you can ask the Plan to pay the tax charge directly from your CNPP pension. This is known as 'Scheme Pays'.

## Are you a higher earner?

If you are a higher earner you may have a reduced annual allowance known as the 'tapered' annual allowance. This could apply if your 'adjusted' income in a tax year is £260,000 or more. Adjusted income includes salary, bonuses, interest, dividends, any cash you take from your pension above the lump sum allowance (see The lump sum allowance above), plus your employer's contributions to your pension.

Your annual allowance reduces by £1 for every £2 of adjusted income over £260,000, down to a minimum of £10,000 a year if your adjusted income is £360,000 or more.

Working out tapered annual allowance can be complicated and you may want to take independent financial advice. See Think about taking advice below.

## Think about taking advice

If you're not sure about your tax allowances or tax position, please consider speaking to an independent financial adviser. The government MoneyHelper service has a guide to finding and using a financial adviser at [moneyhelper.org.uk/choosing-a-financial-adviser](https://moneyhelper.org.uk/choosing-a-financial-adviser)

# You may also be in the DC Structure of the Plan

You're receiving this newsletter because you're in the DB Structure of the CNPP. But if you are making Additional Voluntary Contributions (AVCs) or you're a member of the Shift Pay Pension Plan, you'll also be in the DC Structure of the CNPP.

In the DC Structure you build up pension savings based on your contributions and returns on your investments. Please contact your Plan administrator if you have any questions about AVCs or the Shift Pay Pension Plan.

## Investment fund choices

Unless you've made another choice, your pension savings will be invested in the BlackRock DC LifePath Flexi Fund. The charge for this fund is 0.23% of the value of your investments each year.

There are other investment funds you can choose from. You can find details in our investment guides. Each fund also has a factsheet, updated every three months, showing its investment performance and charges.



You can find the investment guides and factsheets at [cnpp.org.uk](https://cnpp.org.uk). Filter by Defined Contribution and Investment guides or Fund factsheets. Or, you can scan the QR code.

Remember to check your fund choices every so often to make sure you're still happy with them.

## Keep track of your DC savings with TargetPlan

TargetPlan is like online banking for your DC pension savings. It's completely secure. Once you've activated your TargetPlan account, you can manage it from your phone, tablet or computer at any time. You'll be able to:

- check your contributions
- change your target retirement age
- change your investment funds
- use the MyTarget pension calculator to work out how much income you'll need in the future and whether you're saving enough to meet that target.

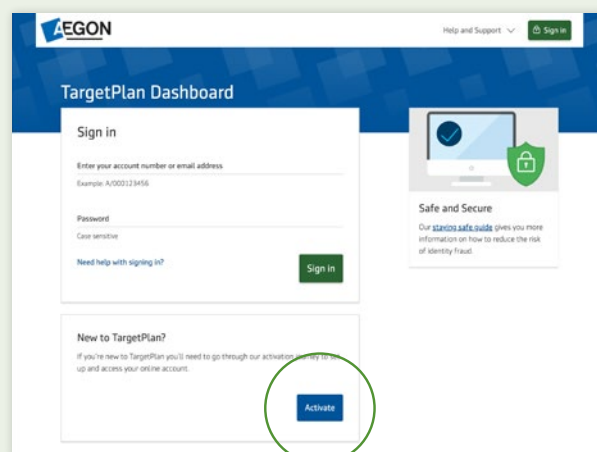
## Set up your TargetPlan account

You'll need to register TargetPlan on your computer before you can use it. Once you've registered, you can use it on your phone or tablet as well as your computer.

You'll need two numbers to register.

- Your National Insurance number. You'll find this on payslips or P60s, or letters or emails from HM Revenue & Customs (HMRC). It's in this format: QQ 12 34 56 Y.
- Your account number, which is on your annual statement.

If you can't find your statement or need help to activate your account, you can call Aegon on **01733 353 414** or email [my.pension@aegon.co.uk](mailto:my.pension@aegon.co.uk)



## How to activate your account

- On your computer, go to [aegon.co.uk/targetplan](https://aegon.co.uk/targetplan)
- Choose the activate button on your sign-in dashboard and follow the instructions.
- After 48 hours, you'll be able to download the Aegon app from your usual Android or Apple app store and manage your pension from your phone or tablet.

## Keeping your personal data safe

The Trustee of the Plan is a 'data controller' under the General Data Protection Regulations (GDPR). As the Trustee, we hold information about you that is required to administer the Plan and work out and pay your benefits accurately.

We must tell you:

- what personal data we hold about you
- how we use it, and
- the safeguards that are in place to protect it.

We have produced a privacy notice containing this information, along with more details about how we comply with GDPR. We first issued it in 2019 and updated it in 2023. You can see the updated version at [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/)

## Annual Benefit Statements

You should by now have received your Annual Benefit Statement for the year ending 31 March 2024. This year, we have added a simple user guide to the document library on the CNPP website, to help you make sense of the information in your statement. Go to [cnpp.org.uk/document-library/](https://cnpp.org.uk/document-library/) or use the QR code below.



If you have any questions about your statement, please look at the user guide first. If this doesn't answer your question, please contact your Plan Administrator using the contact details on the right.

## Get in touch, give us feedback

If you have any questions about your benefits or need to change any of the information we hold about you, please contact your Plan administrator, using the contact details below. You can also give them feedback about this newsletter or anything to do with the Plan.

### DB Structure members

Please contact EQ. This includes questions about AVCs or the Shift Pay Pension Plan.

**Phone:** 0333 207 6523

**Email:** [CombinedNuclearPensionPlan@equiniti.com](mailto:CombinedNuclearPensionPlan@equiniti.com)

**Post:** CNPP  
PO Box 5167  
Lancing  
BN99 9AY

### Nirex Section members

Please contact Barnett Waddingham.

**Phone:** 0333 1111 222

**Email:** [Nirex@barnett-waddingham.co.uk](mailto:Nirex@barnett-waddingham.co.uk)

**Post:** CNPP  
St James' House  
St James' Square  
Cheltenham  
Gloucestershire  
GL50 3PR